

Awarding of shares of Andhra Pradesh Gas Power Corporation

†597. SHRI LALIT KISHORE CHATURVEDI: Will the Minister of FINANCE be pleased to state:

(a) the basis of awarding share of Andhra Pradesh Gas Power Corporation to Sterlite at the time of acquisition of Hindustan Zinc Limited by it through Twin Star Group in 2003;

(b) the number of shares sold to leading companies apart from this in the open market alongwith the names of the companies and rate of the shares so sold;

(c) the basis of determining the sale price in the open market and what was the market price of these shares at that time; and

(d) the role of Government in selling these shares to Sterlite/Vedant?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI. S. PALANIMANICKAM): (a) Government of India has not awarded or sold any share(s) of Andhra Pradesh Gas Power Corporation Limited (APGPCL) to Sterlite or to any other company or entity. In April 2002, Government of India disinvested 26% of the paid up equity share capital of M/s Hindustan Zinc Limited alongwith transfer of management control in favour of M/s Sterlite Opportunities and Ventures Limited, the Strategic Partner. At that time Hindustan Zinc Limited held 4882960 equity shares of APGPCL representing 6.698% of its paid up capital.

(b) to (d) In view of reply to part (a) above, do not arise.

Coordination of ADB with States

598. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the ADB is coordinating with the State and Central Government in working through four components-livelihood, transportaion, rural and municipal infrastructure and capacity building and implementation assistance; and

(b) if so, the complete details and the present status thereof?

†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Asian Development Bank is coordinating with the States and Central Government where they are requested to provide support through Government of India, Ministry of Finance. At present 18 on-going projects are being implemented with ADB assistance. Out of these 2 are for Livelihood, 5 are for Municipal Infrastructure, 2 are for Rural Development and 9 are for Transport sector. The projects are at various stages of implementation and Capacity development is a cross-cutting theme across projects.

Guidelines to Increase bank loans for priority sector

†599. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that new guidelines have been issued for increasing the quantum of bank loans for priority sector;
- (b) if so, the details of those guidelines; and
- (c) the estimated increase in the quantum of loans in priority sector as a result of these guidelines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The Reserve Bank of India (RBI) has reported that it has not issued any revised guidelines on lending to priority sector. However, consequent upon the announcement made in the RBI's Annual Policy Statement for the year 2005-06, an Internal Working Group was set up in the RBI to examine the need for continuance of priority sector lending prescriptions, review the existing policy on priority sector lending, including the segments constituting the priority sector, targets and sub-targets, etc. and to recommend changes, if any, required in this regard. The draft Technical Paper submitted by the Group was placed on the RBI's website on September 30, 2005 for wider dissemination and comments. Based on the feedback received from the banks, financial institutions & other concerned institutions/agencies, the RBI has formulated revised draft guidelines on lending to priority sector and placed it on its website on November 8, 2006 for inviting further comments.

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